

**City of Junction City
Proposed Budget Document
FY 2010-11**

SECTION 2

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CITY OF JUNCTION CITY

Lane County, Oregon

City Overview:

The City of Junction City, incorporated in 1872, is a home rule charter city. The charter is the basic law under which the City operates and may be amended only by a vote of the people. A proposed amendment to the charter may be placed on the ballot by the City Council or by an initiative process by the voters.

The City is also governed by Ordinances enacted by the City Council. The enactment can occur using one of two methods. Using the first method an ordinance is considered at two different City Council meetings before being adopted by the Council and it must be read fully and distinctly at one open Council meeting. It then becomes effective 30 days after its passage, at the second meeting, by the Council and approval by the Mayor. Using the second method the Council may adopt an ordinance at a single meeting by the express unanimous vote of all Council members present, provided that the ordinance is distinctly read first in full, and then by title only. The effective date is 30 days after the meeting. The Council may also adopt ordinances as an emergency, thus waiving the 30 day waiting period for the ordinance to take effect.

The City Council is composed of seven members; six councilors elected to four-year terms and one mayor elected to a two-year term. Three council positions and the mayor's position are voted upon every two years during the General Election. Should a vacancy occur prior to an election, the Council may appoint a citizen to either complete the term remaining for the vacant position, or until the position is filled by a vote at the next General Election, whichever comes first. Prior to January 2009, the City Council usually only met once a month on the second Tuesday. Currently, the council is also meeting for a second time each month on the fourth Tuesday. All meetings are open to the public, except in the case of an executive meeting (closed meeting) where the Council is allowed to consider certain matters as allowed by Oregon Revised Statutes. Any official action by the Council, however, is taken at an open public meeting. The Mayor may call a special meeting of the Council, provided that the public is given a 24-hour notice.

Neither the Mayor nor the Councilors receive any compensation for serving on the Council. Travel and/or training expenses incurred by the mayor or councilors in their official capacity are reimbursed and budgeted accordingly.

Junction City operates under a Council-City Administrator form of government. The Council sets policies, and the City Administrator is responsible for the implementation and compliance of those policies. The City Administrator is also responsible for the day-to-day business, financial and property transactions, preparation of the annual budget, appointment and supervision of personnel, enforcement of City ordinances, and the general management of the City departments. The City Administrator has no vote in the Council, but may take part in all council discussions.

The Purpose Statement of the City Council is: *"To Provide Policy; Manage City Government, with Respect for Our History and Heritage; and Enhance the Future of Junction City."*

The citizens of Junction City are the most important part of the City organization. They elect the Councilors who represent the citizens' interests and design services to meet citizens' needs. Public hearings are conducted to give citizens an opportunity to speak with councilors, commissioners, and/or

committee members and to express their opinions about City issues, concerns, and planning. The Council may also appoint citizen advisory or ad hoc committees to research certain issues and make recommendations to the City Council.

Location:

Junction City is located on old Highway 99, 14 miles north of Eugene, 38 miles south of Corvallis and centrally located between the Pacific Ocean to the West and the Cascade Mountains to the East.

Recreation:

Junction City is the home of the Scandinavian Festival. The festival is held in August and draws thousands of visitors annually. There are nearby lakes and rivers for swimming, boating, water-skiing, and fishing. The City operates a Community Services Department that incorporates the newly developed and renovated fire hall as the Junction City Community Services Center, the Max Strauss Seasonal Pool, the Junction City Public Library, and the Viking Sal Senior Center. The Parks Department maintains numerous park facilities, which include bike and walking paths, playgrounds, tennis courts, basketball courts, baseball/softball fields, picnic facilities and open space, for the enjoyment of the citizens.

History:

From Junction City's early days as a agricultural center and regional transportation hub, to its era of increasing dependence on logging, to today's period of increasing economic diversification, Junction City commerce has closely resembled the economic trends of the southern Willamette Region.

The town was originally located at Lancaster, two miles north of its present location. It was moved to its present location following serious flooding in the early 1860s. By the 1860s, Junction City was an important agricultural and transportation point in the southern Willamette Valley. The community was the southernmost point reachable by the flat-bottomed boats that transported goods up and down the Willamette River.

The City was also located a day's journey from Portland by steam locomotive, making it an ideal place to locate refueling and roundhouse facilities. By 1871, the railroad was complete from Portland to Eugene, and by 1873 crews had extended the line to Roseburg. The first train from San Francisco to Portland went through Junction City in December 1887.

Junction City was incorporated on October 31, 1872, making it the second oldest town in Lane County (Eugene, incorporated in 1862, is the oldest). At that time, Junction City's population was reported to be 600. Construction of the water system, a jail, sidewalks, and other public improvements began in 1873, and City Hall was built in 1878. During this same period, a flour mill, grist mill, general store, hardware store, warehouses, and other businesses were built.

Between 1902 and 1908, a large number of Danes moved to the area and it began changing from a "wide open" railroad town to more of a family-oriented town. Many churches and schools were built around this period, including the Methodist Episcopal Church (1872), the First Christian Church (1892), Riverview Methodist (1900), and Faith Lutheran Church (1908).

Junction City was named for the planned railroad junction to link the lines on the east and west sides of the Willamette River; however, that link never came to fruition. The City is, however, at the junction of several important highways. The major north/south freeway (I-5) was sited several miles east of the City and Highways 99E, 99W, and 36 continue to intersect in or near Junction City.

After World War II, Junction City's economy focused on agriculture, logging and timber production. There were four sawmills and a plywood plant. The 1980s and 1990s saw reduction and downsizing in the timber industry, which caused businesses to close and jobs to be lost all across the Northwest. Many small mills shut down, such as WTD Junction City Lumber Company (Larson, Clark and Powell Lumber Company). An estimated 90 mill jobs were lost due to the shut downs and many loggers lost their jobs as well.

A fire in 1984, which destroyed the Agripac, Inc. Cannery in Junction City, also had a major impact on the City's economy. Another 350 jobs were lost when Monaco, Inc., a manufacturer of recreational vehicles, moved to another community. In 2008 Gibson Motors, which had operated continuously for decades, shut its doors for good. In 2010, Country Coach, another long time manufacturer of recreational vehicles closed its doors through bankruptcy leaving behind nearly 2,000 jobs from its heyday of operations.

Today there is not a dominant industry and, despite the recent reductions, there are a few large businesses that provide many employment opportunities. They include the Guaranty group of enterprises, Lochmead Dairy, and Dari Mart. Recently some large areas have been annexed into the City and more are expected within the next few years. The annexed properties have been, and will continue to allow for, a mix of residential, commercial, and industrial development. It is expected that this development will provide many more employment opportunities and provide additional property tax revenue to help cover the cost of the additional demand of City services.

For the past several years, the City has been preparing for the addition of a new State prison campus and the second of two new State Mental Health Hospitals. The prison campus is currently planned to accommodate some 1800 inmates and the Hospital is calling for 360 interned patients. Preparations include the planning and continued development of significant new infrastructure, largely at the expense of the Department of Corrections and the Department of Human Services. Staff has also begun the work of updating the City's Comprehensive Plan to manage the anticipated new growth. This update involves a number of planning work projects under the State's Customized Periodic Review program. We anticipate a return of up to 2,000 jobs from these future developments upon completion and full occupancy.

City of Junction City
Summary of Fund/Department Changes
For FY2010-11

The proposed fiscal year 2010-11 budget includes:

1. Creating a new fund entitled "Community Services";
2. Adding a department to the "Special Police Programs" fund.

These changes are described in detail below.

FUND CHANGES:

The City, responding to community requests and needs, is in the process of expanding its offerings of services and programs geared to the health, education, care and general well being of its citizens.

The goal is for these new services and programs, with the exception of City staff costs, to be self-supporting. One of the most effective ways to monitor that goal is to set up a separate fund. This proposed budget includes the addition of such a fund to be entitled "Community Services." The purpose of the new fund will be to budget and account for the revenue generated by and the expenses associated with each service/program.

DEPARTMENT CHANGES:

The Special Police Programs Fund (fka Shop with a Cop) was expanded in fiscal year 2009-10 to include three departments, one each for the three existing programs administrated by the police department.

In the upcoming fiscal year the police department is proposing to develop and administer a K-9 Program. For budgeting and tracking purposes it is being proposed to add a department, within the fund, specifically for the new program.

City of Junction City
List of Active Reserve Funds
As of April 2009

<u>Fund No.</u>	<u>Fund Name</u>	<u>Originating ORD/RESO *</u>	<u>Year Created</u>	<u>Date Last Reviewed</u>	<u>Date Next Reviewed Required **</u>
301	Police Vehicle & Equipment	O919	1987/88	6/13/2006	May 2016
303	Cumulative Law Enforcement	O942	1989/90	4/12/2001	March 2011
318	Building Replacement	O971	1992/93	4/8/2003	March 2013
322	Library Equipment & Building	R341	1982/83	6/13/2006	May 2016
328	Administration Vehicle&Equipment	R340	1982/83	7/1/2007	June 2017
333	Pool & Park Equipment	R334	1982/83	6/13/2006	May 2016
334	Bike Path	R330	1982/83	7/1/2007	June 2017
345	Computer Equipment	R329	1982/83	7/1/2007	June 2017
346	Water Equipment	R700	1998/99	4/14/2009	April 2019
347	Sewer Equipment	R700	1998/99	4/14/2009	April 2019
348	Sanitation Equipment	R700	1998/99	4/14/2009	April 2019
349	Street Equipment	R700	1998/99	4/14/2009	April 2019
350	Prairie Road Street Improvemt	R889	2005/06	n/a	May 2016
352	Viking Sal Capital	R917	2007/08	n/a	June 2017
354	P.W. Building & Yard	R918	2007/08	n/a	June 2017

* The resolution/ordinance listed, in some cases, may not be the original; however, they are the oldest that can be found.

** Ticklers have been entered in MSOutlook as a "reoccurring" task.

City of Junction
Summary of All Funds Per Budget
For Fiscal Year 2010/11

Fund #	Name of Fund	Estimated Beginning Fund Balance	Anticipated New Revenue	Personnel Services	Materials and Services	Capital Outlay	Debt Service	Budgeted Transfers Out	Operating Contingency	Total Appropriated	Unappropriated	Total By Fund
001	General	1,693,847	3,441,636	2,346,435	1,100,070	100	-	47,550	50,000	3,544,155	1,591,328	5,135,483
002	Water	340,000	977,226	381,092	272,710	1,000	-	237,000	81,786	973,588	343,638	1,317,226
003	Sewer	320,478	1,497,650	402,700	178,790	100	-	788,000	124,470	1,494,060	324,068	1,818,128
004	Sanitation	226,896	701,189	330,941	221,270	100	-	139,000	73,569	764,880	163,205	928,085
005	Streets	375,000	326,986	96,940	120,540	25,000	-	109,000	30,000	381,480	320,506	701,986
008	VS Senior Center	5,000	77,190	6,851	62,945	200	-	2,500	4,000	76,496	5,694	82,190
010	Health Insurance	139,909	600	-	140,000	-	-	-	-	140,000	509	140,509
012	Community Services	-	62,260	20,193	30,810	50	-	-	5,000	56,053	6,207	62,260
016	Sewer Ratepayer Assistance	21,826	175	-	20,200	-	-	-	-	20,200	1,801	22,001
250	State Revenue Sharing	25,545	37,149	-	34,000	1,000	-	27,500	-	62,500	194	62,694
255	Sewer System Improvement	1,311,901	802,000	-	213,000	400,000	-	-	-	613,000	1,500,901	2,113,901
264	Water System Improvement	232,860	235,500	-	68,400	335,000	22,027	-	-	425,427	42,933	468,360
266	Sanitation System Improvement	8,365	100,100	-	2,000	32,100	27,200	-	-	61,300	47,165	108,465
301	Police Vehicle&Equip Res	12,000	47,100	-	-	50,000	-	-	-	50,000	9,100	59,100
303	Cumulative Law Enforcement	1,410	1	-	25	500	-	-	-	525	886	1,411
318	Building Replacement Res	400,816	1,800	-	13,200	127,000	-	-	-	140,200	262,416	402,616
322	Library Equip&Bldg Impr Res	15,410	25	-	2,050	4,500	-	-	-	6,550	8,885	15,435
328	Admin Equip&Vehicle Res	15,500	100	-	300	15,200	-	-	-	15,500	100	15,600
333	Park & Pool Equip Res	33,500	24,259	-	6,000	30,000	-	-	-	36,000	21,759	57,759
334	Bike Path Reserve	21,185	3,032	-	100	10,000	-	-	-	10,100	14,117	24,217
335	Park System Development	233,561	55,300	-	25,000	215,500	-	-	-	240,500	48,361	288,861
339	Special Police Programs	2,418	235	-	1,200	10	-	-	-	1,210	1,443	2,653
341	Police Defibrillator Trust	546	2	-	125	200	-	-	-	325	223	548
345	Computer Equipment Res	24,346	13,500	-	17,000	10,000	-	-	-	27,000	10,846	37,846
346	Water Equipment Reserve	80,963	15,650	-	17,500	43,333	-	-	-	60,833	35,780	96,613
347	Sewer Equipment Reserve	68,836	25,450	-	-	56,000	-	-	-	56,000	38,286	94,286
348	Sanitation Equipment Res	58,930	37,300	-	-	21,000	-	-	-	21,000	75,230	96,230
349	Street Equipment Reserve	60,769	8,400	-	-	44,000	-	-	-	44,000	25,169	69,169
	Prairie Rd Street Impr. Res	239,190	1,700	-	-	218,000	-	-	-	218,000	22,890	240,890
	VS Capital Reserve	1,200	2,510	-	3,400	50	-	-	-	3,450	260	3,710
	PW Bldg/Yard Reserve	15,328	5,125	-	-	10,000	-	-	-	10,000	10,453	20,453
	Community Dev Revolving Loan	981,185	34,435	-	1,011,708	-	-	-	-	1,011,708	3,912	1,015,620
	Water System Development	202,211	56,300	-	-	50,000	-	-	-	50,000	208,511	258,511
	Sewer System Development	1,629,581	368,200	-	-	50,000	-	-	-	50,000	1,947,781	1,997,781
	Street System Development	538,051	58,800	-	-	5,000	-	-	-	5,000	591,851	596,851
	DOC-IGA Infrastructure Cap.	6,970,000	17,077,000	-	863,000	23,084,000	-	-	-	23,947,000	100,000	24,047,000
Totals By Type		16,308,563	26,095,885	3,585,152	4,425,343	24,838,943	49,227	1,350,550	368,825	7,786,408		42,404,448
Taxes Before Taxes			1,833,366							34,618,040		
			24,262,519							7,786,408		
										Total Adopted Budget		42,404,448

Total Appropriations, All Funds 34,618,040
Total Unappropriated, All Funds 7,786,408